

New Pay Plan Passes

April 30, 2008, the House passed HB2916 approving the new state Pay Plan, which has been sent to the Governor for her signature. The provisions of the FY2009 Pay Plan are as follows:

- A 2.5% General Increase for classified employees and merit increase for unclassified employees;
- A longevity bonus, at \$50 per year, for classified employees who are eligible; and
- Funding for the first of five years of market adjustments for classifications that are significantly behind market.

In addition to these provisions, the final version of the bill also includes the proposal to limit eligibility for a longevity bonus for employees hired or rehired after June 15, 2008 and provides that the Compensation Philosophy developed by the Task Force last summer will be set out in statute. Finally, the bill also approves the recommendations of the State Employee Compensation Oversight Commission to implement the five new pay plans and provides for a committee consisting of the following members to provide ongoing oversight regarding the implementation of the new pay plans: two members appointed by the Speaker of the House, one member appointed by the House Minority Leader, one member appointed by the President of the Senate, one member appointed by the Senate Minority Leader, two members appointed by the Governor (one of whom must be a representative from a labor organization) and two ex officio members in the form of the Secretary of Administration (or designee) and the Secretary of Labor (or designee).

The list of classes that will be receiving market adjustments in FY2009 and a brief explanation of how those adjustments will be accomplished, will be provided no later than Tuesday, May 6th.

Additional information regarding the FY2009 Pay Plan will be coming very soon.